

## In the United States Patent and Trademark Office

Araben Aropn. Number: 10/705,439

Appn. Filed: 11/10/2003

Applicants: Bruce Bradford Thomas and Lester Ware Preston, III

Title: Collateral Coverage for Insurers and Advisors

GAU: 3626

Examiner Name: Glass, Russell S.

Trumbull, CT, August 8, 2007

#### **Prior Art**

**Commissioner for Patents** 

PO Box 1450, Alexandria, VA 22313-1450

Dear Sir or Madame:

I just discovered that the attached prior art filing was made inadvertently under the wrong patent application number. Previously, the cover sheet indicated that the application number was 10/705,349, when in fact it should have read 10/705,439. I am sending a copy of my original filing to correct this mistake.

Sincerely,

Bruce B. Thomas

145 Lake Avenue

Trumbull, CT 06611

203-445-0830

# In the United States Patent and Trademark Office

Appn. Number: 10/705,439

Appn. Filed: 11/10/2003

Applicants: Bruce Bradford Thomas and Lester Ware Preston, III

Title: Collateral Coverage for Insurers and Advisors

GAU: 3626

Trumbull, CT, March 12, 2007

### **Prior Art**

Commissioner for Patents
PO Box 1450, Alexandria, VA 22313-1450

Dear Sir or Madame:

Last week, we discovered an example of prior art of which we are making the Patent Office aware. This prior art is a "Total Plus" policy that was sold by Gillis, Ellis & Baker, a copy of which is included with this letter. This policy was meant to cover losses in excess of the primary insurance that was purchased.

In the terminology that we use in our patent filing, this coverage specifies a nonproportional, binary relationship with the payment function of a pre-specified insurance policy. This policy will pay the dollar amount specified in the declarations, only if a property covered by the primary insurance policy is totally destroyed by fire and is rebuilt at that location or pay 80% of the specified amount if the building is rebuilt at another location.

One reason binary, non-proportional coverage policies have not gained widespread acceptance is that it is unclear what the price should be for this coverage. A second reason is that having a lump-sum payment conditioned on reaching some particular threshold of loss, creates the potential for morale hazard on the part of the buyer as the loss approaches that threshold. Most buyers do not find this type of coverage particularly attractive since they do not expect to suffer a complete loss of their property.

Sincerely,

Bruce B. Thomas 145 Lake Avenue Trumbull, CT 06611 203-445-0830

PTO/SB/08b (08-03)

Approved for use through 06/30/2006. OMB 0651-0031 U.S. Patent and Trademerk Office; U.S. DEPARTMENT OF COMMERCE

06/07/2008

the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it contains a valid CMB control number.

STEAT & THATE tute for form 1449B/PTO

Sheet

Examiner Signature

### **INFORMATION DISCLOSURE** STATEMENT BY APPLICANT

(Use as many sheets as necessary)

/Anita Molina/

of

	Complete if Known
Application Number	10/705 349 439
Filing Date	11/10/2003
First Named Inventor	Rruce Bradgerd Thomas
Art Unit	3626
Examiner Name	
Attorney Docket Alumber	

	<del>,                                     </del>	NON PATENT LITERATURE DOCUMENTS	
Examiner Initials*	Cite No.1	Include name of the author (in CAPITAL LETTERS), title of the article (when appropriate), title of the item (book, magazine, journal, serial, symposium, catalog, etc.), date, page(s), volume-issue number(s), publisher, city and/or country where published.	T <sup>2</sup>
/A.M./		Billis, Ellis & Raker, Inc., "Total Plusta"	
***************************************			
***************************************			**********
			,
		·	

Considered \*EXAMINER: tritial if reference considered, whether or not citation is in conformance with MPEP 609. Draw line through citation if not in conformance and not considered, include copy of this form with next communication to applicant.

considered. Include copy of this form with next communication to applicant.

1 Applicant's unique chation designation number (optional). 2 Applicant is to place a check mark here if English language Translation is attached.

This collection of information is required by 37 CFR 1.97 and 1.98. The information is required to obtain or retain a benefit by the public which is to file (and by the USFTO to process) an application. Confidentially is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 2 hours to complete, including gathering, preparing, and submitting the completed application form to the USFTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22213-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22213-1480.